February 2008

Daniels County FSA

131 B Hwy 5 East PO Box 127 Scobey, MT 59263-0127 Phone: 406-487-5366 FAX: 406-487-2276

County Committee Members

Alan Danelson – Chair Rick Marriage – Vice-Chair Monica Haaland – Member

FSA Office Personnel

| Smokey Benson, CED ext. 102 |
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| Lisa Tvedt, PT ext. 112 |
| JoAnn Lekvold, PT ext. 113 |
| Bonnie Modine, PT ext. 114 |
| Molly Crohn, PT ext. 116 |
| Jaylein Nickels, Loan Officer - ext. 110 |
| Gerry Farver, Field ext. 111 |

Dates to Remember:

February 18 – Holiday – office closed

March 17 – NAP sales closing date for all crops except value loss and honey

March 17 – Crop insurance sales closing date for 2007 spring-seeded crops

March 31 – Final loan/LDP availability date for various crops harvested in 2007

April 1 – Deadline for payment limitation changes

May 15-July 15 – Primary Nesting Season under the old CRP hay/graze provisions

May 15-August 1 – Primary Nesting Season under the new CRP hay/graze provisions June 2 – Final loan/LDP availability date – various crops harvested in 2007

Please call for an appointment to sign-up for the Crop Disaster Program and the Livestock Disaster Programs.



Disaster Assistance Programs Payments Issued

Farm Service Agency offices have begun to issue payments for eligible producers applying for benefits with the Livestock Indemnity Program (LIP), Livestock Compensation Program (LCP), and the Crop Disaster Program (CDP).

Producers in primary counties declared secretarial disaster areas or certain counties declared presidential disaster areas between January 1, 2005 and December 31, 2007 or producers located in counties contiguous to those counties are eligible. CDP does not require a disaster declaration.

Contact the office for further explanation of the programs or to make an appointment to discuss eligibility.

Change in Farming Operation or Address

Producers are reminded to notify this office to report change in address or ownership. This may include land sales, entity changes, or other changes to your farming operation. This is vital to assist this office in keeping up-to-date records.

Ending Date for Disaster Signup

An ending signup date for the Livestock Indemnity Program (LIP), Livestock Compensation Program (LCP), and the Crop Disaster Program (CDP) has currently not been set. Please contact the office or logon to the Montana FSA website at www.fsa.usda.gov/mt for eligibility requirements.

Year End Reviews

Producers that have a farm loan with FSA are urged to keep current production and income/expense records. These records are essential in making informed management decisions for your farming operation. Your local Farm Loan Manager or Farm Loan Officer will be requesting copies of your records on an annual or bi-annual basis and the information is used to complete a Year-End Analysis (YEA) for your operation. The frequency of the review is based on the type of loan you received and the terms of your agreement with FSA.

"The U.S. Department of Agriculture (USDA) prohibits discrimination in all its program and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer."

Change in Direct Deposit Account

The Debt Collection Act of 1996 mandates that payments from FSA be directly deposited into a producer's checking or savings bank account. It is important that any change in the producer's account such as type of account, bank mergers, routing number or account numbers be provided to the county office promptly to avoid possible payment delay.

Submission of Applications via E-Government

As required by the Freedom to E-File Act, eForms provides customers with the option to electronically access, fill out, and print paper forms, or obtain secure electronic access credentials for signing and transmitting forms and other documents electronically to their local Service Center. Level 2 access is required. Step-by-step instructions are available on the Montana FSA website at http://www.fsa.usda.gov/mt explaining the Level 2 access process. Contact the local county FSA office to complete your Level 2 registration.

Controlled Substance

Any person who is convicted under federal or state law of a controlled substance may be ineligible for USDA payments or benefits. Violations include planting, harvesting, possessing or growing a prohibited plant. Prohibited plants include marijuana, opium poppies and other drug producing plants.

Farm Loans:

FSA offers direct and guaranteed farm ownership and operating loan programs to farmers and ranchers who are temporarily unable to obtain private commercial credit. Rural youth loans, Beginning Farmer and Rancher, and assistance for socially disadvantaged persons are also available.

County Committee Election Complete

The County Committee election process is complete and Monica Haaland was elected to serve a 3-year term on the Committee. She will be replacing Ron Fladager who served many years. A big "thank you" goes out to Ron and a big "welcome" goes out to Monica.

Under Represented Groups

FSA solicits and accepts nominations of under represented groups such as females and minority (American Indian or Alaska Native, Asian, Black/African American, Hispanic/Latino, Native Hawaiian or Other Pacific Islander) producers for county committee representation. Please notify this office if you wish to be identified as a minority producer.

Noninsured Crop Disaster Assistance Program (NAP)

NAP provides financial assistance to producers of Noninsurable crops when low yields occur as a result of natural disaster. Eligible crops are those commercially produced for food, livestock consumption, and some specialty crops. Eligible producers must pay an administrative service fee of \$100 per crop per administrative county or \$300 per producer per county, not to exceed \$900 for a producer with farming interests in multiple counties. Service fees may be waived for limited-resource producers.

Payment of a service fee does not guarantee coverage. There are many eligibility requirements that must be met. The Application Closing Date for all crops except value loss and honey is March 17, 2008. Contact the office for further information.

NAP Pull Off

Each FSA County Committee determines the date when livestock must be removed from NAP forage acres each spring. The date determined in Daniels County is May 1, 2008. The pull off date for crops intended for grass seed is April 1 in all counties.

Disaster Payments Issued

To date more than \$14 million has been issued in disaster benefits to Montana Producers:

CDP = \$11,680,340 LCP = \$2,962,409 LIP = \$119,699

Reasonable Accommodation Statement

USDA is required to provide the reasonable accommodations statement semiannually in county office newsletters and on printed announcements of all public meetings, seminars or FSA sponsored training, and farm program orientation sessions.

Website

Producers may access FSA information and forms on the Montana Internet site at http://www.fsa.usda.gov/mt

Farm Storage Facility Loans

Low cost loans for storage facilities are available for producers to build or remodel farm storage facilities for a variety of commodities, including wheat, rice, soybeans and corn. The interest rate changes each month.

Farm storage facility loans are available for the purchase and installation of eligible storage facilities, permanently affixed drying or handling equipment, or remodeling existing facilities. Eligible facilities include new conventional-type cribs or bins and new and remanufactured oxygen-limiting and other upright silo-type structures. The maximum amount that may be borrowed is 85 percent of the net cost of the storage or handling equipment, up to \$100,000.

1099-G Mailed from Kansas City

During the last week of January, producers who have received payments from FSA should have also received a CCC-1099-G from the Kansas City office. A CCC-1099-G is a report to the Internal Revenue Service about FSA payments made to you in calendar year 2007. The CCC-1099-G is a service to help participating producers report taxable income. It is not intended to replace the program participant's responsibility to report income to the IRS.

If you received a CCC-1099-G, we recommend that you check the amounts shown with those in your records to see that the amounts are correct. Refunds will no longer be reported on the 1099-G, but will be available online from the FSA Financial Inquiries (FSA-FI) web-based database. Program participants with eAuthentication user ID's and passwords can access their refund information at FSA-FI and select "Inquiry Type 1099/Refund Reports". Refund amounts are displayed on the Producer's Year-to-Date Activity web page.

1099-G Mailed from Kansas City (Cont.)

If you have a question concerning the 1099-G refund information, you may contact the county office for assistance locating the correct payment data. If you choose to visit the office, bring your CCC-1099-G with you.

Step-by-step instructions for obtaining a Level 2 access to obtain your CCC-1099-G electronically are available on the Montana Internet site at http://www.fsa.usda.gov/mt under the "I Want To" section and by clicking on the "Do Electronic Business with FSA on My Home Computer."

Civil Rights/Discrimination Process

As a participant or applicant for programs or activities operated or sponsored by USDA, you have a right to be treated fairly. If you believe you have been discriminated against because of race, color, national origin, gender, age, religion, disability, or marital or familial status, you may file a discrimination complaint.

The complaint should be filed with the USDA Office of Adjudication and Compliance within 180 days of the date you became aware the alleged discrimination occurred. To file a complaint of discrimination write: USDA, Director, Office of Adjudication and Compliance, 1400 Independence Avenue, S.W., Room 326W, Whitten Building, Stop 9410, Washington DC 20250-9410 or call 202-720-5964 (voice or TDD).

Foreign Person Rule

A foreign individual is someone who is not a citizen of the United States or a lawful alien possessing a valid Alien Registration Receipt Card (Form I-551 or I-151). A foreign entity is a corporation, trust, estate, limited partnership, limited liability company, or other similar organization that has more then 10 percent of its beneficial interest held by individuals who are not citizens of the United States or lawful aliens possessing a valid Alien Registration Receipt Card (Form I-551 or I-151). In addition to the requirements for "person" and "actively engaged in farming," the following significant contributions must be provided by an individual or entity considered to be a "foreign person." An individual determined to be a "foreign person" must provide a significant contribution of land, capital, and active personal labor. Each foreign individual who is a member of an entity determined to be a "foreign person" must provide active personal labor to enable the entity to provide a significant contribution of active personal labor.

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131B Hwy 5 East Scobey, MT 59263-0127

Official Business

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NAP pull-off date – May 1, 2008

Demand for Organic Crops Provides Opportunity when CRP Contracts End

Montana is experiencing increasing demand for organic grain to supply markets for organic flour and other certified organic food ingredients, according to the Montana Department of Agriculture.

This creates an additional option for growers whose Conservation Reserve Program contracts will expire within the next few years. CRP contracts for an estimated 907,000 acres in Montana will expire in 2008 to 2010.

Fields that have been in CRP and have not been treated with herbicides during the past three years may be eligible for organic certification without a three-year transition period from conventional crops. Organic certification is among the ways farmers and ranchers can add value to commodities. Prices offered for organic crops may be twice those of non-organic crops.

For information on the requirements for organic certification, contact Doug Crabtree at the Montana Department of Agriculture at (406) 444-9421 or at decaptree@mt.gov.

Adjusted Gross Income (AGI) Provisions Continued

The 2002 Farm Bill implemented the AGI at \$2.5 million limited. Those provisions for AGI have been extended through March 15, 2008.

Until March 15, 2008, FSA county offices will:

- Accept AGI certifications as necessary for crop years 2003 through 2007;
- Obtain AGI certifications for 2008 for emergency, disaster, and conservation program purposes.

Each program has an established payment limitation that applies to all farming operations. Details for each program's payment limitation may be obtained at the county office.

Further information will be provided as it is received regarding updated AGI provisions.

Persons with disabilities who require accommodations to participate in FSA programs should contact Myron E. Benson, 131B Hwy 5 East, 406-487-5366 ext. 102 or myron.benson@mt.usda.gov.